

Ozone Season Peak NOx Emissions and Flexibility in NOx Emissions from the PJM Power Pool

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Overview – context

General problem

- Ozone non-compliance in northeastern U.S.
- Ozone conducive conditions drive electricity demand

(N.E. Ozone formation depends on NOx levels, temperature, & sun)

History and regulatory context

Persistent ozone non-compliance even given:

1995-98: MACT - technology standards

1999-02: OTC "NOx Budget" cap-and-trade

2003+: NOx SIP Call - extend cap-and-trade, reduced cap



Overview – description and solution?

A detailed description:

Use detailed CEMS data: *describe peak emissions, *effect of ozone season, *operation of generating units.

Suggests a solution??

Could regulations target ozone episodes by reducing NOx emissions prior to forecasted episodes?

Possible costs of not knowing

- Continued non-compliance
- Misused resources



Data

hourly historical data

EPA:

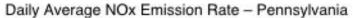
CEMS — Acid Rain Hourly Emissions Data

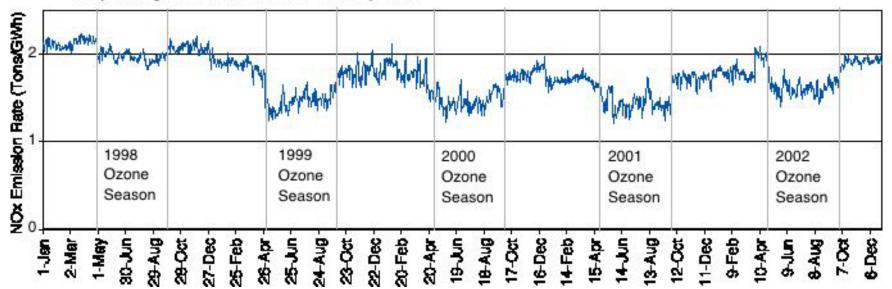
eGrid — emissions & Generation Resource Integrated Database

Total electricity demand data from ISO websites



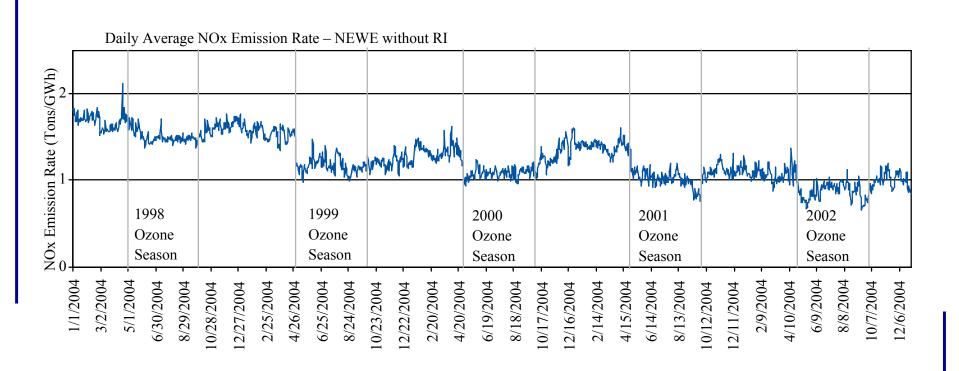
NOx Trading in Ozone Season Reduces Summertime Emission Rates





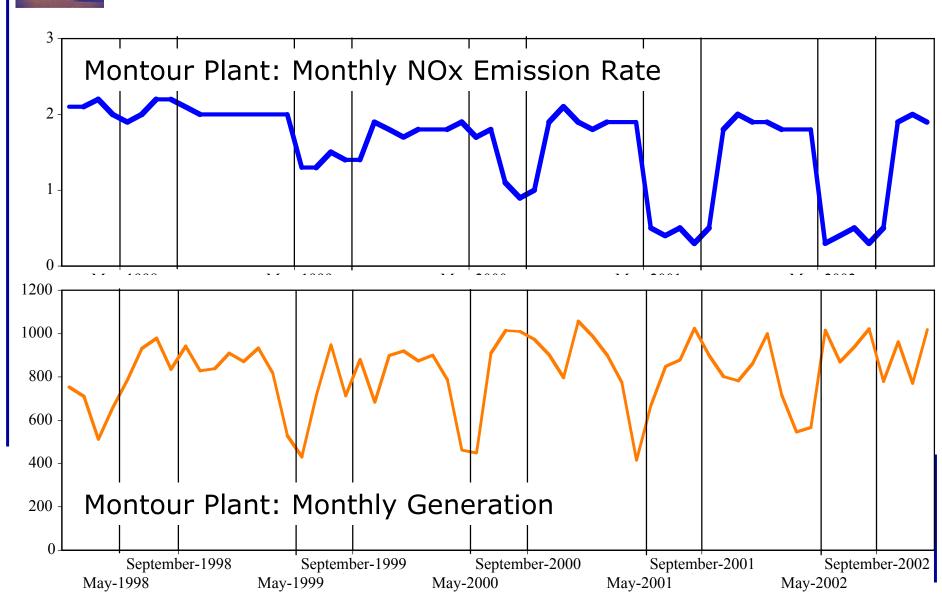


NOx Trading in Ozone Season Reduces Summertime Emission Rates





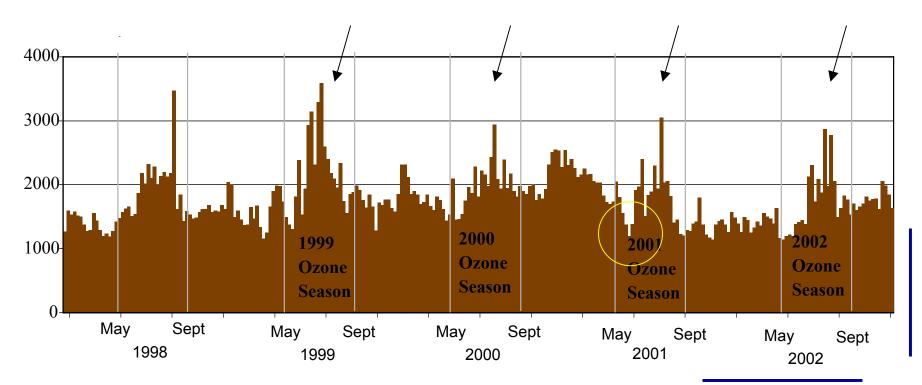
Power plants use NOx controls in summer





...but peak emissions from power system not reduced much

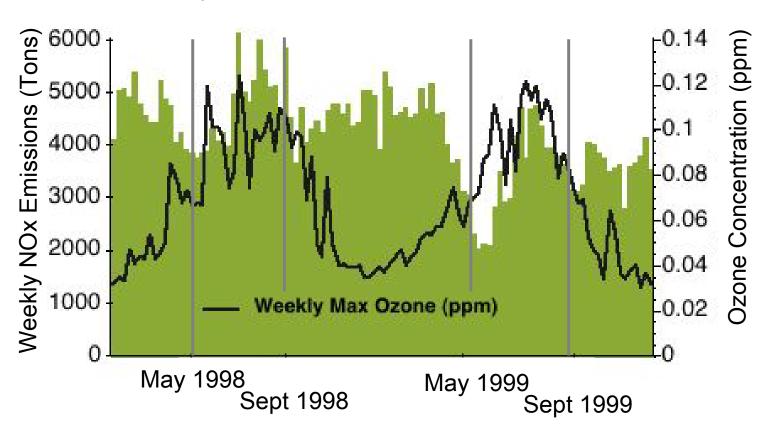
Weekly NOx Emissions – New York Aggregate





Ozone concentrations and emissions

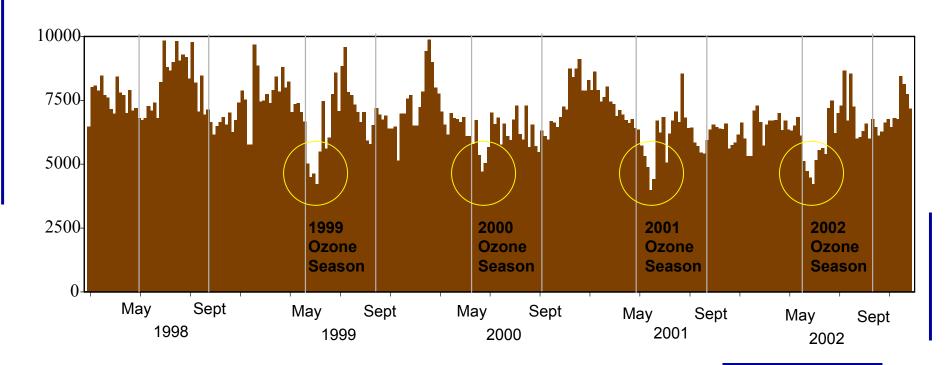
Weekly NOx Emissions and Ozone – PJM





Compliance in early season

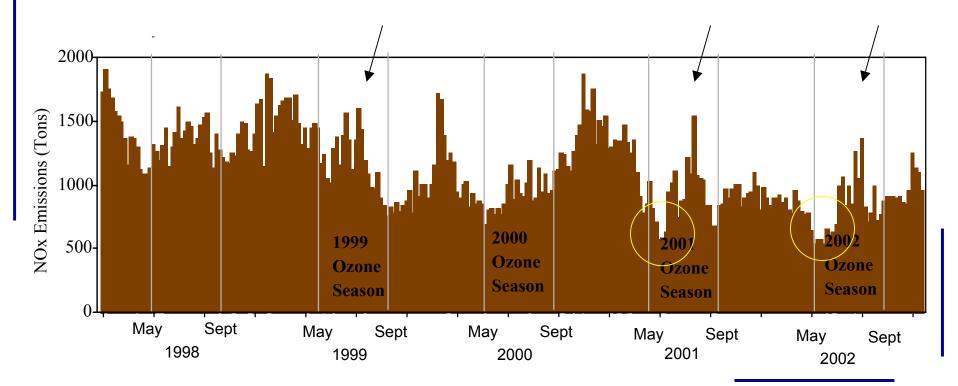
Weekly NOx Emissions – PJM Aggregate





Summertime peak electricity demand drives peak emissions

Weekly NOx Emissions – New England Aggregate



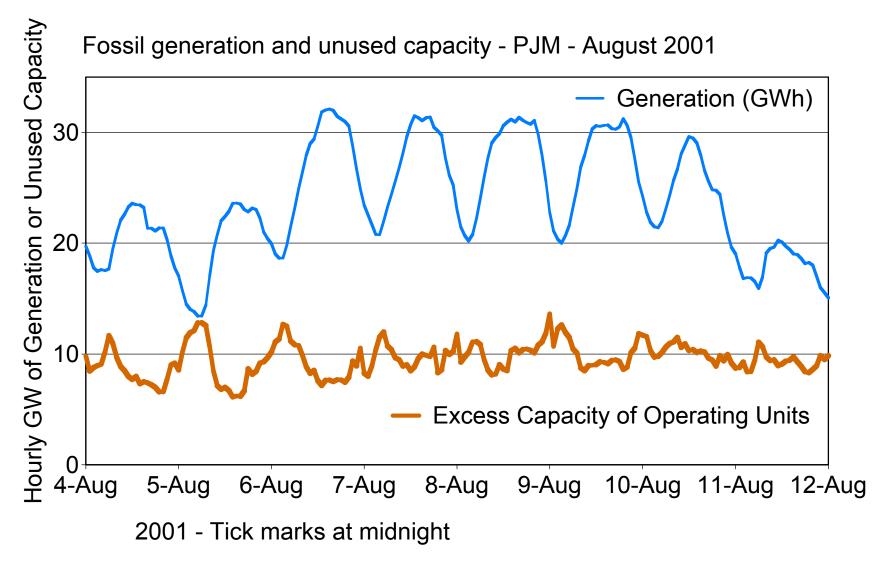


A solution? "smart trading"

- 1. Could emission reductions on an hourly or daily basis reduce likelihood of ozone episodes?
 - Air shed modeling
- 2. Could regulations motivate the needed NOx reductions at critical times and in critical areas?
 - Flexibility in NOx emissions
 - Common perception: no flexibility on peak demand days



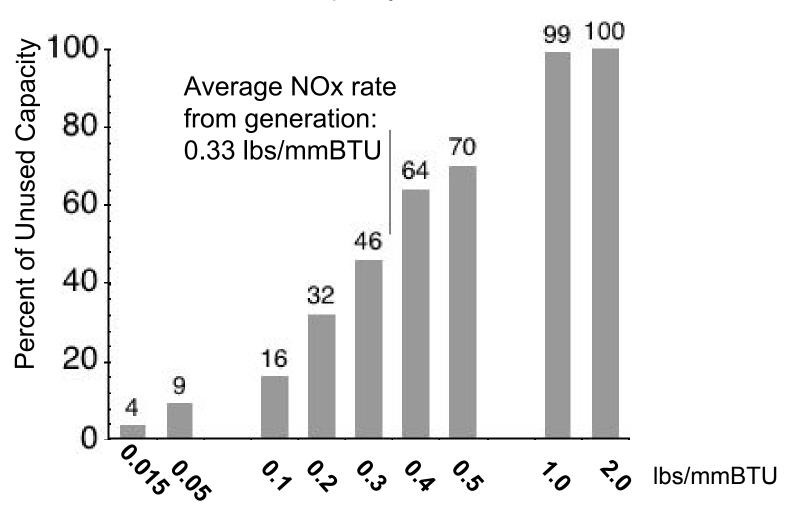
Reserve capacity over time





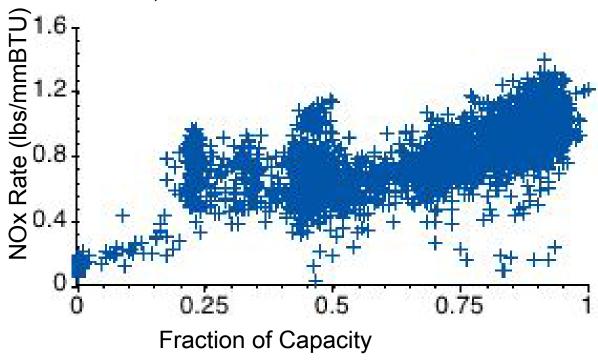
NOx Rates of Unused & On Capacity

August 9, 2001 15:00
Percent of Unused Capacity with NOx Rate less than



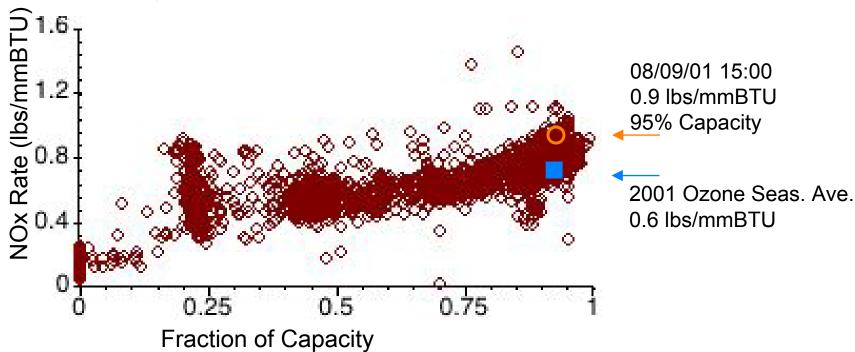


Mercer, NJ 326 MW Coal – 2001 Winter





Mercer, NJ 326 MW Coal – 2001 Ozone Season

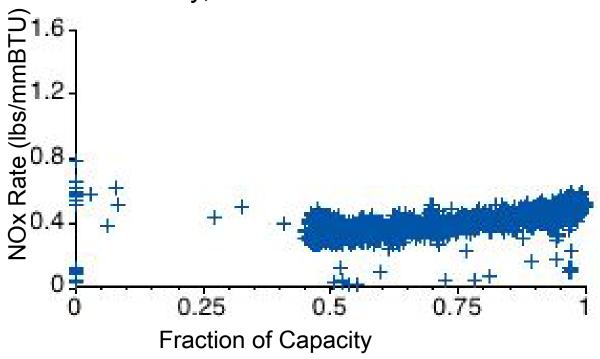


Reduced from 95% to 20% in NOx dispatch case.

Average emission rate may underestimate reductions.

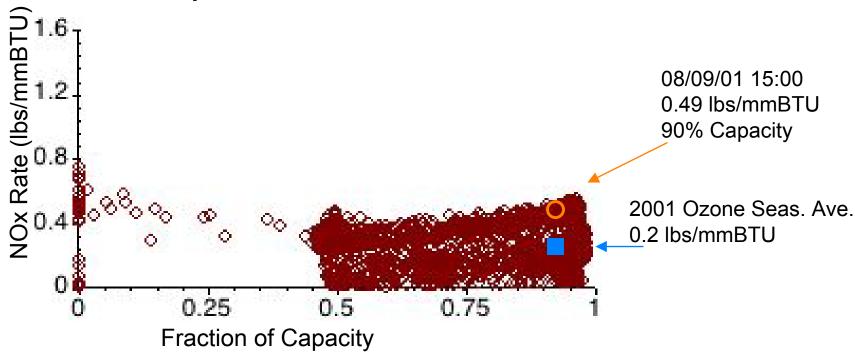


Homer City, PA 733 MW Coal – 2001 Winter





Homer City, PA 733 MW Coal – 2001 Ozone Season



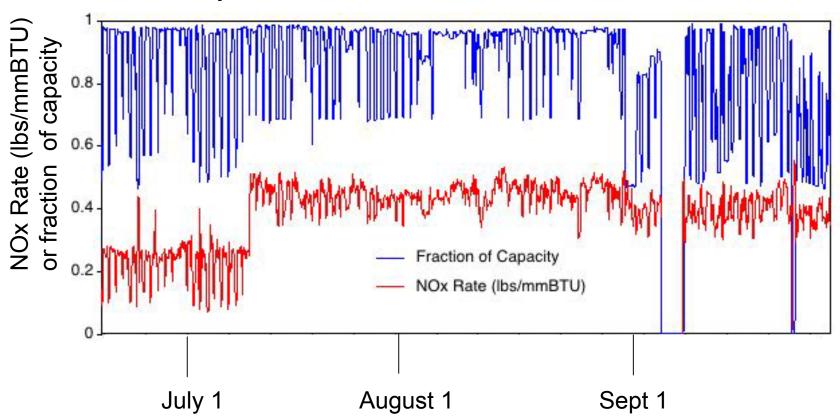
Increased from 90% to 95% in NOx dispatch case.

Average emission rate may not underestimate reductions.



NOx Emission rate time series

Homer City, PA 733 MW Coal – 2001

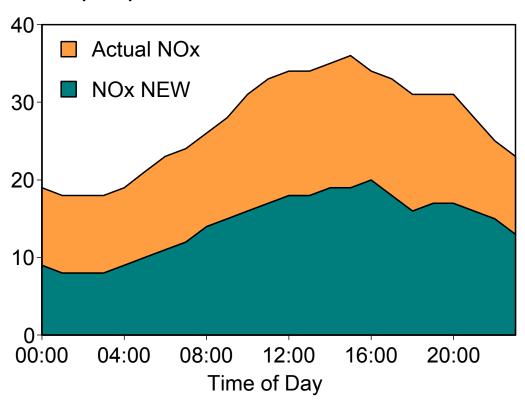


Emission rate increases in mid-July
NOx prices fall from April 2001 to November 2001



Estimated NOx Reductions ~ 30% in each hour

8/16/2001 NOx Emissions





Estimated NOx Reductions

Peak demand hour of 2001 August 9 15:00

| | Fossil | Unused & | Total |
|--------|---------------|----------|--------|
| Demand | Gen. | On Cap. | NOx |
| 53.6 | 30.6 | 10.3 | 50.8 |
| (GWh) | (GWh) | (GWh) | (Tons) |

Reduction in NOx (Tons)

| NOx | | By Area | NG for |
|----------|---------|----------|--------|
| Dispatch | By Fuel | and Fuel | Coal |
| 16.3 | 16.2 | 11.1 | 0.9 |
| 32% | 32% | 22% | 2% |



Estimated NOx Reductions

| | emand | Fossil Gen. | Unused & On Cap. | Total NOx | NOx Reduced | By Area and Fuel |
|---------------|-------|----------------|---------------------|--------------|----------------|---------------------|
| 8/9/01 15:00 | 53.6 | 30.6 | 10.3 | 50.8 | 16.3 <i>32</i> | 11.1 22 |
| 7/17/01 6:00 | 33.5 | 21.4 | 10 | 28.7 | 10.8 <i>38</i> | 4.4 15 |
| 7/17/01 15:00 | 46.8 | 28.2 | 8.8 | 35.8 | 10.6 <i>30</i> | 6.3 <i>18</i> |
| 8/13/01 17:00 | 42.1 | 23.3 | 8.1 | 33.6 | 10.4 <i>31</i> | 5.3 16 |
| 6/15/01 18:00 | 40.3 | 26.2 | 8.4 | 31.2 | 9.9 <i>32</i> | 5.2 <i>17</i> |
| 6/15/01_6:00 | 35.0 | 22.7 | 10.7 | 24.4 | 8.0 <i>33</i> | 3.4 <i>14</i> |
| | (GWh) | (GWh) | (GWh) | (Tons) | (Tons) (%) |) (Tons) (%) |



Assumptions for flexibility estimates

- no impact from T&D constraints
- only used operating units
- units "turned down" to 20% or "up" to 95%
- average NOx emission rates (ozone season)
- use of control equipment unchanged



NOx Trading in ozone season reduced emissions – met cap, lowered rates

Peak summertime emissions still a problem for ozone

Unexpected flexibility in peak and other hours for short term reductions

Further study: *Which plants complied and how? *Could "smart trading" help?



Thanks. Questions?

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